

From: barton grantham
To: Microsoft ATR
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Subject: Microsoft Settlement

Seeing as how the future of human civilization hangs on our ability to create, communicate, store, and freely exchange information, I'd say that any settlement that doesn't fully address Microsoft's unethical attempts to monopolize for great profit the ability to do the above is inadequate.

While I appreciate that Microsoft's products enable many companies to streamline their information infrastructure and that to the technology outsider, they may have been seen as the engine of the Information Revolution, this is actually just a subjective observation. The driving force behind the Information Revolution has been, and continues to be, semiconductor manufacturing. Due to advances in semiconductor manufacturing our computers are now tens of thousands of times faster than they were a mere 2 decades ago. I don't believe it is a stretch to say that the miracles of modern software that MS products make possible could have been achieved by ANY company. In fact, many groups have achieved more than MS with less resources, all by riding this wave of exponential hardware upgrades. This is all to say that they are not the cutting edge technology company that many believe them to be. In fact, most industry insiders consider them to be VERY conservative with regards to research and development, always erring on the side of profitability at the expense of technological progress and customer benefit.

There is no mistaking that there have been many competitors to MS who simply failed to take advantage of a situation where they had a strategic advantage. There have been books written about how Apple, IBM, Commodore, DEC, Atari, Netscape, etc. all 'dropped the ball' when they were competing head to head with MS in the marketplace. HOWEVER, for every instance of misjudgement on the part of MS's competitors, there is at least one instance of unethical and often illegal business practices that gave MS not just an advantage, but exclusivity to a market. Many of these have been touched upon by the trial, but most in not enough detail. In particular, their 'bootloader' policy combined with their licensing policy has been extraordinarily harsh:

- They insist that if a hardware vendor sells even one machine with a copy of windows, that they must pay a license for windows for EVERY machine they sell. Agree to this and you get a 90% reduction in license cost. Disagree and you pay retail cost per machine.
- They insist that if you install windows on a machine, it can be the ONLY operating system natively bootable on that machine.

These two policies combine to make a marketplace where now literally

NOBODY can compete in the 'Installed Operating System' market.

With regards to the proposed settlement where MS provides schools with free hardware and software... This is not a settlement at all! The education market is one market that MS has always found it difficult to compete due to Apple's being entrenched there. This settlement is effectively a way for MS to gain a foothold into a market where they could EASILY recoup their 'billion lost dollars' within a single software upgrade cycle. On top of this, there are two additional problems. MS claims that they would provide a billion dollars worth of their own product, but it must be understood that their product is infinitely producible for very little money. What would cost them a million dollars in CD duplication fees could pay a billion dollar court fine. The second problem is that, combined with the fact that these schools would likely not have purchased MS software in the first place, this would actually be a positive market movement for the company, not a punishment.

Finally, to make clear: Microsoft has been 'dumping' in the market for decades, banking on it's one day becoming a monopoly and being able to recoup costs by price gouging. The mechanism that has made this possible is stockholder capital. -Right now- is when it will begin this price gouging because their stockholders are chomping at the bit for a dividend. Microsoft has to either suffer the consequences of a stock crash or squeeze as much money from their customer base as possible. The .NET initiative and their model of 'software as service' is part of their plan to entrench themselves as an infrastructure company. If this is not stopped, then the technology industry can expect the 20 years to belong to Microsoft and the average US consumer can expect their participation in digital technology to be accompanied by a "Microsoft Tax".

As a technologist and computer programmer for more than 20 years, I must insist that there be NO settlement and NO easy path for this unethical, irresponsible, and destructive company. Our future literally depends on this company being stopped.

Bart Grantham
(grant_b@cs.odu.edu)